

COMPANY REGISTRATION NUMBER 02814031

**GELDER LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2014**

FRIDAY



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**GELDER LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2014**

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2</b>
Directors' report	<b>3</b>
Independent auditor's report to the shareholders	<b>5</b>
Profit and loss account	<b>7</b>
Group balance sheet	<b>8</b>
Balance sheet	<b>9</b>
Group cash flow	<b>10</b>
Notes to the financial statements	<b>11</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	<b>26</b>
Notes to the detailed profit and loss account	<b>27</b>

# **GELDER LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	S P Gelder MBE D A Gladwin
<b>Company secretary</b>	R G Cunliffe
<b>Registered office</b>	Tillbridge Lane Sturton by Stow Lincoln LN1 2 BP
<b>Auditor</b>	Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
<b>Bankers</b>	National Westminster Bank Plc Lincoln Corporate Business Centre 3rd Floor General Buildings Brayford Wharf East Lincoln LN5 7DS

# **GELDER LIMITED**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 DECEMBER 2014**

The Directors have pleasure in presenting their report and the consolidated financial statements of Gelder Ltd for the year ended 31st December 2014.

#### **PRINCIPLE ACTIVITIES AND BUSINESS REVIEW**

In addition to the core businesses of building and construction, the Group's other activities comprised of Speed Drying, Pest Elimination, Waste Management, Building Supplies, Plumbing and Training. Sales in the year total £37m compared to £31m in 2013, a 19% increase in turnover.

All areas of the company saw an increase in sales throughout the year though margins remain extremely tight culminating in a £0.3m profit for the year.

On 16th July 2014 the Group's contribution to the local economy, particularly apprenticeships was recognised by a visit from HRH The Princess Royal, at which time the companies new 3 year business Plan, Mission, Vision and logo were unveiled.

#### **FORWARD BUSINESS VIEW**

2015 will be one of significant change at Gelder Ltd. Aligning ourselves to both making the most of the upturn in the construction sector as well as laying the foundations for a successful delivery of our 2017 Vision, will mean some significant structural changes to the make-up of the company.

Copies of our 2017 Visions are available on request. We have set our new Senior Management Team some significant challenges for both efficiency savings as well as expansion as we continue with our adventure and new mission of delivering "Everything in Construction, with the Gelder Touch".

Tackling the growing construction skills shortage is particularly important to us, so we will be continuing our commitment to training and apprenticeships. To add weight to our commitment to resolving the skills shortage we have set ourselves a vision of "Inspiring a new Generation in Construction".

The Directors take this opportunity of thanking all our staff for their continued commitment, loyalty and support in tackling the challenges ahead.

Signed by order of the directors



R G Cunliffe  
Company Secretary

Approved by the directors on 18 September 2015

# **GELDER LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the financial statements of the group for the year ended 31 December 2014.

#### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £255,521. Particulars of dividends paid are detailed in note 10 to the financial statements.

#### **FINANCIAL INSTRUMENTS**

Details of the company's financial risk management objectives and policies are included in note 19 to the accounts.

#### **DIRECTORS**

The directors who served the company during the year were as follows:

S P Gelder MBE

D A Gladwin

R G Cunliffe

R G Cunliffe retired as a director on 10 July 2015.

#### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **GELDER LIMITED**

## **DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31 DECEMBER 2014**

### **STRATEGIC REPORT**

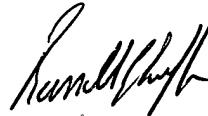
Information required by schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:  
Tillbridge Lane  
Sturton by Stow  
Lincoln  
LN1 2 BP

Signed by order of the directors



R G Cunliffe  
Company Secretary

Approved by the directors on 18 September 2015

# **GELDER LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GELDER LIMITED**

**YEAR ENDED 31 DECEMBER 2014**

We have audited the group and parent company financial statements ("the financial statements") of Gelder Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# **GELDER LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GELDER LIMITED (*continued*)**

**YEAR ENDED 31 DECEMBER 2014**

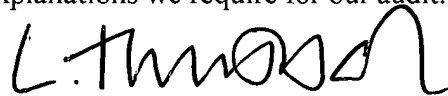
### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



CHRISTOPHER HUBBARD (Senior  
Statutory Auditor)  
For and on behalf of  
STREETS AUDIT LLP  
Chartered Accountants  
& Statutory Auditor

Tower House  
Lucy Tower Street  
Lincoln  
LN1 1XW

18 September 2015



**GELDER LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>37,319,932</b>	<b>31,856,691</b>
Cost of sales		<u>32,082,279</u>	<u>27,073,235</u>
<b>GROSS PROFIT</b>		<b>5,237,653</b>	<b>4,783,456</b>
Administrative expenses		<u>4,907,529</u>	<u>4,483,388</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>330,124</b>	<b>300,068</b>
Income from participating interests	<b>6</b>	<b>(83,863)</b>	15,563
Interest receivable		<b>10</b>	3,062
Interest payable and similar charges	<b>7</b>	<b>(20,297)</b>	(15,924)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>225,974</b></u>	<u>302,769</u>
Tax on profit on ordinary activities	<b>8</b>	<b>(29,547)</b>	76,339
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>9</b>	<u><b>255,521</b></u>	<u>226,430</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 11 to 24 form part of these financial statements.

**GELDER LIMITED**  
**GROUP BALANCE SHEET**  
**31 DECEMBER 2014**

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	11	<u>1,367,050</u>	<u>926,954</u>
<b>CURRENT ASSETS</b>			
Stocks	13	3,258,904	1,242,678
Debtors	14	7,391,055	7,179,397
Cash at bank and in hand		<u>1,475,119</u>	<u>2,757,399</u>
		12,125,078	11,179,474
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>9,244,352</u>	<u>8,070,852</u>
<b>NET CURRENT ASSETS</b>		<u>2,880,726</u>	<u>3,108,622</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,247,776</u>	<u>4,035,576</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	262,356	114,081
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	15	<u>—</u>	<u>11,596</u>
		<u>3,985,420</u>	<u>3,909,899</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	5,000	5,000
Share premium account	22	122,506	122,506
Other reserves	22	250	250
Profit and loss account	22	<u>3,857,664</u>	<u>3,782,143</u>
<b>SHAREHOLDERS' FUNDS</b>	23	<u>3,985,420</u>	<u>3,909,899</u>

These accounts were approved by the directors and authorised for issue on 18 September 2015, and are signed on their behalf by:



S P Gelder MBE  
Director

The notes on pages 11 to 24 form part of these financial statements.

# GELDER LIMITED

## BALANCE SHEET

31 DECEMBER 2014

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	11	<u>1,367,050</u>	<u>926,954</u>
<b>CURRENT ASSETS</b>			
Stocks	13	3,258,904	1,242,678
Debtors	14	6,997,360	6,785,722
Cash at bank and in hand		<u>1,475,119</u>	<u>2,757,399</u>
		11,731,383	10,785,799
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>9,249,657</u>	<u>8,076,157</u>
<b>NET CURRENT ASSETS</b>		<u>2,481,726</u>	<u>2,709,642</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,848,776</u>	<u>3,636,596</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	262,356	114,081
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	15	—	11,616
		<u>3,586,420</u>	<u>3,510,899</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	5,000	5,000
Share premium account	22	122,506	122,506
Other reserves	22	250	250
Profit and loss account	22	<u>3,458,664</u>	<u>3,383,143</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,586,420</u>	<u>3,510,899</u>

These accounts were approved by the directors and authorised for issue on 18 September 2015, and are signed on their behalf by:



S P Gelder MBE  
Director

Company Registration Number: 02814031

The notes on pages 11 to 24 form part of these financial statements.

**GELDER LIMITED**  
**GROUP CASH FLOW**  
**YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	24	(1,458,582)	2,742,003
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	24	(20,287)	(12,862)
TAXATION	24	(1,944)	(129,301)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	24	(163,833)	(86,812)
EQUITY DIVIDENDS PAID		(180,000)	(100,000)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(1,824,646)	2,413,028
FINANCING	24	(447,034)	(106,112)
(DECREASE)/INCREASE IN CASH	24	<u>(2,271,680)</u>	<u>2,306,916</u>

The notes on pages 11 to 24 form part of these financial statements.

# **GELDER LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies.

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on-going services is recognised by reference to the stage of completion.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 14% - 33% straight line
Fixtures & Fittings	- 20% - 33% straight line
Motor Vehicles	- 25% straight line

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock is recorded on a first in first out basis.

# **GELDER LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **1. ACCOUNTING POLICIES *(continued)***

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 1. ACCOUNTING POLICIES *(continued)*

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### Trade and other debtors

Trade and other debtors are recognised and carried forward at invoices amounts less provisions for any doubtful debts. Bad debts are written off when identified.

#### Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

#### Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective method. Gains or losses are recognised in the profit and loss accounts when liabilities are derecognised or impaired, as well as through the amortisation process.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group. An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	<u>37,319,932</u>	<u>31,856,691</u>

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Directors' remuneration	–	22,524
Depreciation of owned fixed assets	175,944	178,914
Depreciation of assets held under hire purchase agreements	163,948	150,663
Profit on disposal of fixed assets	(73,506)	(96,113)
Auditor's remuneration		
- as auditor	10,000	12,765
- for other services	23,805	25,758
	<u>          </u>	<u>          </u>

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2014	2013
	No	No
Number of production staff	163	174
Number of administrative staff	79	80
	<u>242</u>	<u>254</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	6,562,057	6,190,976
Social security costs	605,007	553,835
Other pension costs	49,899	62,724
	<u>7,216,963</u>	<u>6,807,535</u>

### 5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	–	22,524
	<u>          </u>	<u>          </u>

### 6. INCOME FROM PARTICIPATING INTERESTS

	2014	2013
	£	£
Income from associated undertakings	<u>(83,863)</u>	<u>15,563</u>



# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Interest payable on bank borrowing	202	776
Finance charges	<u>20,095</u>	<u>15,148</u>
	<u>20,297</u>	<u>15,924</u>

### 8. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2014	2013
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 23% (2013 - 23.25%)	-	53,582
(Over)/under provision in prior year	<u>1,944</u>	<u>(9,347)</u>
Total current tax	<u>1,944</u>	44,235
Deferred tax:		
Origination and reversal of timing differences	<u>(31,491)</u>	<u>32,104</u>
Tax on profit on ordinary activities	<u>(29,547)</u>	<u>76,339</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23% (2013 - 23.25%).

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>225,974</u>	<u>302,769</u>
Profit on ordinary activities by rate of tax	51,974	70,394
Depreciation in excess of capital allowances	(51,965)	(24,829)
Other adjustments	(9)	8,017
Over/under provision in prior year	<u>1,944</u>	<u>(9,347)</u>
Total current tax (note 8(a))	<u>1,944</u>	<u>44,235</u>

### 9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £255,521 (2013 - £258,632).

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 10. DIVIDENDS

#### Equity dividends

	2014 £	2013 £
Paid		
Equity dividends on ordinary shares	<u>180,000</u>	<u>100,000</u>

### 11. TANGIBLE FIXED ASSETS

Group	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2014	944,930	695,261	2,026,900	3,667,091
Additions	184,051	139,380	565,743	889,174
Disposals	(110,405)	(182,622)	(331,812)	(624,839)
<b>At 31 December 2014</b>	<u>1,018,576</u>	<u>652,019</u>	<u>2,260,831</u>	<u>3,931,426</u>
<b>DEPRECIATION</b>				
At 1 January 2014	768,114	598,615	1,373,408	2,740,137
Charge for the year	74,676	66,288	198,928	339,892
On disposals	(74,749)	(154,683)	(286,221)	(515,653)
<b>At 31 December 2014</b>	<u>768,041</u>	<u>510,220</u>	<u>1,286,115</u>	<u>2,564,376</u>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2014</b>	<u>250,535</u>	<u>141,799</u>	<u>974,716</u>	<u>1,367,050</u>
At 31 December 2013	<u>176,816</u>	<u>96,646</u>	<u>653,492</u>	<u>926,954</u>

#### Hire purchase agreements

Included within the net book value of £1,367,050 is £943,241 (2013 - £646,966) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £163,948 (2013 - £150,663).

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 11. TANGIBLE FIXED ASSETS *(continued)*

Company	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2014	944,930	695,261	2,026,900	3,667,091
Additions	184,051	139,380	565,743	889,174
Disposals	(110,405)	(182,622)	(331,812)	(624,839)
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<b>At 31 December 2014</b>	<b>768,041</b>	<b>510,220</b>	<b>1,286,115</b>	<b>2,564,376</b>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2014</b>	<b>250,535</b>	<b>141,799</b>	<b>974,716</b>	<b>1,367,050</b>
At 31 December 2013	176,816	96,646	653,492	926,954

#### Hire purchase agreements

Included within the net book value of £1,367,050 is £943,241 (2013 - £646,966) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £163,948 (2013 - £150,663).

### 12. INVESTMENTS

The company has a 99% controlling interest in four Limited Liability Partnerships;

Gainsborough Home Improvements (Lincoln) LLP,  
Greentech Management Services LLP,  
Century Plumbing, Heating, Mechanical and Electrical (Lincoln) LLP and, Redline Building Supplies and Services (Lincoln) LLP which operate in related fields.

The company has a 33.33% interest in a further Limited Liability Partnership, Tillbridge Developments LLP who operate in a related field.

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 13. STOCKS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	4,750	4,750	4,750	4,750
Work in progress	3,169,154	1,152,928	3,169,154	1,152,928
Finished goods	85,000	85,000	85,000	85,000
	<u>3,258,904</u>	<u>1,242,678</u>	<u>3,258,904</u>	<u>1,242,678</u>

### 14. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	4,141,233	4,593,867	4,141,233	4,229,247
Amounts owed by group undertakings	1,932,984	209,448	1,575,651	173,153
Amounts owed by undertakings in which the company has a participating interest	307,541	1,612,139	271,199	1,619,379
Other debtors	842,798	690,356	842,798	690,356
Deferred taxation (Note 15)	19,895	—	19,875	—
Prepayments and accrued income	146,604	73,587	146,604	73,587
	<u>7,391,055</u>	<u>7,179,397</u>	<u>6,997,360</u>	<u>6,785,722</u>

Other debtors includes retentions on contracts of £836,952 (2013 - £679,510).

### 15. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Provision/Asset brought forward	(11,596)	20,508	(11,616)	20,508
Increase/(Decrease) in asset	31,491	(32,104)	31,491	(32,124)
Asset/Provision carried forward	<u>19,895</u>	<u>(11,596)</u>	<u>19,875</u>	<u>(11,616)</u>

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 15. DEFERRED TAXATION *(continued)*

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2014		2013	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of depreciation over taxation allowances/(Excess of taxation allowances over depreciation on fixed assets)	19,895	-	(12,176)	-
Tax losses available	-	-	580	-
	<u>19,895</u>	<u>-</u>	<u>(11,596)</u>	<u>-</u>

The company's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Company	2014		2013	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of depreciation over taxation allowances/(Excess of taxation allowances over depreciation on fixed assets)	19,875	-	(11,616)	-

### 16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Overdrafts	1,073,263	-	1,073,263	-
Trade creditors	6,821,739	6,615,066	6,821,739	6,615,066
Hire purchase agreements	252,129	237,833	252,129	237,833
Other creditors including taxation and social security:				
Corporation tax	-	-	5,305	5,305
Other taxation and social security	718,948	737,146	718,948	737,146
Other creditors	350,607	417,563	350,607	417,563
Accruals and deferred income	27,666	63,244	27,666	63,244
	<u>9,244,352</u>	<u>8,070,852</u>	<u>9,249,657</u>	<u>8,076,157</u>

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 16. CREDITORS: Amounts falling due within one year (*continued*)

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Overdrafts	1,073,263	–	1,073,263	–
Hire purchase agreements	252,129	237,833	252,129	237,833
	<u>1,325,392</u>	<u>237,833</u>	<u>1,325,392</u>	<u>237,833</u>

Bank loans and overdrafts are secured by a charge over the assets held by the company. Hire purchase agreements are secured over the assets concerned.

### 17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Hire purchase agreements	<u>262,356</u>	<u>114,081</u>	<u>262,356</u>	<u>114,081</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Hire purchase agreements	<u>262,356</u>	<u>114,081</u>	<u>262,356</u>	<u>114,081</u>

Hire purchase agreements are secured over the assets concerned.

### 18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2014	2013
	£	£
<b>Group and Company</b>		
Amounts payable within 1 year	252,129	237,833
Amounts payable between 1 and 2 years	<u>262,356</u>	<u>114,081</u>
	<u>514,485</u>	<u>351,914</u>

# **GELDER LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company holds or issues financial instruments in order to achieve three main objectives, being:

(a) to finance its operations;

(b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and

(c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

#### **Credit risk**

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

### **20. RELATED PARTY TRANSACTIONS**

The company was a 100% subsidiary of Gelder Group Holdings Limited during the current and previous year. Accordingly, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with members or investees of the group. No further transactions with related parties arose, such as those required to be disclosed under Financial Reporting Standard 8.

### **21. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	<b>2014</b>		<b>2013</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares of £1 each	<u><b>5,000</b></u>	<u><b>5,000</b></u>	<u><b>5,000</b></u>	<u><b>5,000</b></u>

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 22. RESERVES

Group	Share premium account £	Capital redemption reserve £	Profit and loss account £
Balance brought forward	122,506	250	3,782,143
Profit for the year	—	—	255,521
Equity dividends	—	—	(180,000)
Balance carried forward	<u>122,506</u>	<u>250</u>	<u>3,857,664</u>

Company	Share premium account £	Capital redemption reserve £	Profit and loss account £
Balance brought forward	122,506	250	3,383,143
Profit for the year	—	—	255,521
Equity dividends	—	—	(180,000)
Balance carried forward	<u>122,506</u>	<u>250</u>	<u>3,458,664</u>

### 23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	255,521	226,430
Equity dividends	(180,000)	(100,000)
Net addition to shareholders' funds	75,521	126,430
Opening shareholders' funds	3,909,899	3,783,469
Closing shareholders' funds	<u>3,985,420</u>	<u>3,909,899</u>

### 24. NOTES TO THE CASH FLOW STATEMENT

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	330,124	300,068
Depreciation	339,892	329,577
Profit on disposal of fixed assets	(73,506)	(96,113)
(Increase)/decrease in stocks	(2,016,226)	238,411
(Increase)/decrease in debtors	(191,763)	1,536,101
Increase in creditors	152,897	433,959
Net cash (outflow)/inflow from operating activities	<u>(1,458,582)</u>	<u>2,742,003</u>



# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 24. NOTES TO THE CASH FLOW STATEMENT *(continued)*

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2014	2013
	£	£
Interest received	10	3,062
Interest paid	(202)	(776)
Interest element of hire purchase	<u>(20,095)</u>	<u>(15,148)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(20,287)</u>	<u>(12,862)</u>

#### TAXATION

	2014	2013
	£	£
Taxation	<u>(1,944)</u>	<u>(129,301)</u>

#### CAPITAL EXPENDITURE

	2014	2013
	£	£
Payments to acquire tangible fixed assets	(346,525)	(239,437)
Receipts from sale of fixed assets	<u>182,692</u>	<u>152,625</u>
Net cash outflow from capital expenditure	<u>(163,833)</u>	<u>(86,812)</u>

#### FINANCING

	2014	2013
	£	£
Net (outflow)/inflow from other short-term creditors	(66,956)	52,041
Capital element of hire purchase	<u>(380,078)</u>	<u>(158,153)</u>
Net cash outflow from financing	<u>(447,034)</u>	<u>(106,112)</u>

# GELDER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 24. NOTES TO THE CASH FLOW STATEMENT *(continued)*

#### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014	2013
	£	£
(Decrease)/increase in cash in the period	(2,271,680)	2,306,916
Net outflow from/(inflow) from other short-term creditors	66,956	(52,041)
Cash outflow in respect of hire purchase	380,078	158,153
Change in net debt resulting from cash flows	(1,824,646)	2,413,028
New finance leases	(542,649)	–
Movement in net debt in the period	(2,367,295)	2,413,028
Net funds at 1 January 2014	1,987,922	(440,669)
Net debt at 31 December 2014	(463,236)	1,987,922

#### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2014	Cash flows	Other changes	At 31 Dec 2014
	£	£	£	£
Net cash:				
Cash in hand and at bank	2,757,399	(1,282,280)	–	1,475,119
Overdrafts	–	(1,073,263)	–	(1,073,263)
	2,757,399	(2,355,543)	–	401,856
Debt:				
Debt due within 1 year	(417,563)	66,956	–	(350,607)
Hire purchase agreements	(351,914)	380,078	(542,649)	(514,485)
	(769,477)	447,034	(542,649)	(865,092)
Net debt	1,987,922	(1,908,509)	(542,649)	(463,236)

### 25. ULTIMATE CONTROLLING PARTY

The group was under the control of S P Gelder MBE throughout the current and previous year. S P Gelder MBE is the managing director and majority shareholder of the holding company.

### 26. ULTIMATE PARENT COMPANY

The ultimate parent company is Gelder Group Holdings Limited, a company registered in England and Wales, number 07458632.

**GELDER LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31 DECEMBER 2014**

**The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6.**

# GELDER LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£	£
<b>TURNOVER</b>	<b>37,319,932</b>	<b>31,856,691</b>
<b>COST OF SALES</b>		
Opening work-in-progress	1,242,678	1,481,089
Purchases	9,981,809	5,122,681
Direct wages	4,524,228	4,280,214
National insurance contributions on direct labour	313,888	318,810
Subcontract	16,472,115	14,787,028
Other cost of sales direct costs	376,272	266,423
Connection charges	143,026	13,899
Commercial vehicle fuel and repairs	31,070	42,838
Commissions paid	567,985	537,517
Sales promotion	150	503
Bonds	10,834	27,197
Hire of plant and machinery	1,403,524	1,191,037
Depreciation of plant and machinery	273,604	246,677
	<u>35,341,183</u>	<u>28,315,913</u>
Closing work-in-progress	<u>(3,258,904)</u>	<u>(1,242,678)</u>
	<u>32,082,279</u>	<u>27,073,235</u>
<b>GROSS PROFIT</b>	<u>5,237,653</u>	<u>4,783,456</u>
<b>OVERHEADS</b>		
Administrative expenses	4,907,529	4,483,388
<b>OPERATING PROFIT</b>	<u>330,124</u>	<u>300,068</u>
Income from shares in related companies	(83,863)	15,563
Bank interest receivable	10	3,062
	<u>246,271</u>	<u>318,693</u>
Interest payable	(20,297)	(15,924)
<b>PROFIT ON ORDINARY ACTIVITIES</b>	<u>225,974</u>	<u>302,769</u>

# GELDER LIMITED

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£	£
<b>ADMINISTRATIVE EXPENSES</b>		
<b>Personnel costs</b>		
Wages and salaries	2,037,829	1,910,762
Employers national insurance contributions	291,119	235,025
Staff pension contributions	49,899	62,724
	<u>2,378,847</u>	<u>2,208,511</u>
<b>Establishment expenses</b>		
Rent, rates and water	195,362	215,937
Light and heat	56,401	72,571
Insurance	320,419	331,159
Repairs and maintenance	59,260	44,308
	<u>631,442</u>	<u>663,975</u>
<b>General expenses</b>		
Motor expenses	840,783	765,332
Travel and subsistence	101,894	23,023
Telephone	148,662	105,128
Printing, stationery and postage	122,738	150,249
Staff training	86,973	71,560
Sundry expenses	191,481	124,184
General expenses	55,664	33,267
Advertising	—	2,402
Entertaining	16,376	19,660
Security	20,198	23,048
Management charges payable	—	120,000
Legal and professional fees	175,793	39,288
Other professional fees	—	30,060
Accountancy fees	23,805	25,758
Auditors remuneration	10,000	12,765
Depreciation	66,288	82,900
Profit on disposal of fixed assets	(73,506)	(96,113)
	<u>1,787,149</u>	<u>1,532,511</u>
<b>Financial costs</b>		
Provision for doubtful debts	35,836	32,914
Bank charges	74,255	45,477
	<u>110,091</u>	<u>78,391</u>
	<u>4,907,529</u>	<u>4,483,388</u>
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	<u>10</u>	<u>3,062</u>

# **GELDER LIMITED**

## **NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>INTEREST PAYABLE</b>		
Bank interest payable	<b>202</b>	<b>776</b>
Hire purchase and finance lease charges	<b><u>20,095</u></b>	<b><u>15,148</u></b>
	<b><u>20,297</u></b>	<b><u>15,924</u></b>